

**ISLAND COUNTY COUNCIL OF GOVERNMENTS – REGULAR SESSION
FEBRUARY 22, 2012**

The Island County Council of Governments met in regular session on February 22, 2012 in the Commissioners' Hearing Room 102B, located at 1 NE 6th St., Coupeville. The meeting was called to order by Chair, Nancy Conard at 9:00 a.m.

Members Present: Nancy Conard, Mayor, Town of Coupeville
Helen Price Johnson, Island County Commissioner
Kelly Emerson, Island County Commissioner
Hal Seligson for Larry Kwarsick, Mayor, City of Langley
Curt Gordon, Commissioner, South Whidbey Port District
Benye Weber, Commissioner, Coupeville Port District

Members Absent: Scott Dudley, Mayor, City of Oak Harbor
Angie Homola, Island County Commissioner
Larry Kwarsick, Mayor, City of Langley

Also Present: Jeff Arango, Director of Community Planning, City of Langley
Jack Hartt, Whidbey Island Park Ranger
Jennifer Meyer, NAS Whidbey
Rufus Rose
Various community members

CALL TO ORDER

Chair Nancy Conard called the meeting to order and asked everyone to introduce themselves.

APPROVAL OF MINUTES

It was moved and seconded to approve the minutes of the January 25, 2012 Regular Session as presented. Motion carried unanimously.

SUSTAINABLE WHIDBEY COALITION

Two Sustainable Whidbey Coalition vouchers were distributed. Mayor Conard will bring the SWG budget to the next meeting and stated there are enough funds to cover the vouchers. It was moved and seconded to approve the Sustainable Whidbey Coalition vouchers. Motion carried unanimously. Commissioner Emerson asked if Sustainable Whidbey Coalition was part of ICLEI-Local Governments for Sustainability. Chair Nancy Conard stated that Sustainable Whidbey Coalition was not part of the International Council of Local Environmental Initiatives (ICLEI) that it was formed by a group of local governing entities and private parties to promote sustainability and reducing our carbon footprint. Ultimately it became an organization that is working under the umbrella of the Council of Governments.

CHANGES FOR STATE PARKS ON WHIDBEY

Jack Hartt, Ranger at Deception Pass State Park spoke regarding the anticipated changes for state parks on Whidbey. He reminded us of the numerous beautiful parks we have in Island County and that these parks are good for the economy. Unfortunately we are struggling with how to pay for parks. Six years ago state parks were totally funded by the general tax fund of the state. Now parks must contribute

some of the fees that they raise. Instead of using those as general fund dollars they are used as support for the parks. Due to changes in the economy legislature ran out of money and needed to make cuts so they cut general fund support for the state park system down to approximately a third of what they used to get. This past year they cut it down to approximately ten percent of what parks used to get which is a severe cut. This means state parks budget has been cut by ninety percent. To offset these cuts the Discover Pass was implemented which is basically a day-use fee. Cars that drive into the park have to have some kind of permit or pass to be in the park. It is \$30 per year or \$10 per day. The Discover Pass is not working as well as anticipated and not bringing in the expected revenue. They expected 30 million dollars over a two year period but so far it has only brought in 6 million dollars, which will leave a tremendous short of what was hoped for. Two years ago the legislature instituted a donation program where you could donate a \$5 fee that went to state parks when you renewed license tab. This raised about nine million dollars a year but it is still far short of what was needed with the current cut of ninety percent of the budget. Because the fees have not reached the anticipated level to keep the state park system at the present, level state parks have had to reinvent themselves and had to change what normal is.

The executive leadership of state parks made the decision to go with a different model that does away with most permanent staff and instead just have seasonal staff. There will be very few permanent staff in our state parks systems in Island County as well as around the state. In some parks that are very quiet during the winter this would not have as significant impact as it would on Whidbey Island and Camano Island parks. As an example, Deception Pass State Park has 1.7 million visitors a year that visit during the winter as well as summer months. It is very difficult to manage the park with only one full time staff person left. The Central Whidbey Island area, which is South Whidbey State Park, Fort Casey State Park, Fort Ebey State Park and a lot of their satellites used to have 7 rangers they are now down to 2. Some of these will be seasonal workers that will not have the training as that of a permanent ranger. They will not be trained to handle law enforcement or have the maintenance skills and other skills that the permanent rangers have. Parks system will be challenged to keep our parks running, to keep them safe for our visitors and to respond to emergencies as they come up. Park staff has been reduced but the number of visitors to parks continues to increase. Deception State Park had an increase of 40% in visitors. Jack would welcome feedback and would like us to work as a team to make our parks welcoming tour visitors and to make them successful. He was asked about whether the revenue from our parks stayed local. He stated that it does not that it goes into the state parks system not local parks.

CITY OF LANGLEY .09 RURAL ECONOMIC DEVELOPMENT GRANT REVISION

Jeff Arango, Director of Community Planning for the City of Langley, distributed copies of their revised .09 Rural Economic Development Grant for consideration by the Commissioners. COG members did not get a chance to review the revised grant prior to this meeting.

Jeff used a PowerPoint presentation to explain the revision of their grant. He began by going through the original Wharf Street widening and bank stabilization project, which was to widen about 450 feet of upper Wharf Street to enhance access between the downtown and the Marina with the primary purpose of economic development in large part to facilitate the expansion of the Marina project. \$242,423 was requested for this project. He went on to explain the revision which would be to redirect the money the city received in 2005 to the funicular project ("inclined elevator"). This funicular would run from the foot of Wharf Street directly up the bluff to Cascade Avenue and connect the marina with the downtown and parking facilities to accommodate the future marina expansion. The funicular functions essentially like an elevator that does not require an operator and will meet ADA requirements with a capacity of up to 8 persons.

The City believes the funicular meets the same goals of the Wharf Street widening project but also has added benefits. They did explore other ideas but believe the funicular is the best option. He showed an example of the type of funicular they would like to use and described it as an outdoor elevator. They are considering placing the landing for the funicular in the second floor of the redeveloped Drake property at the foot of Wharf Street. Included in the project is a public corridor easement from the funicular landing through the building with an open air viewing platform and public stairway down to new street improvement along Wharf Street including enhanced public space. There are other possible alignments that would not necessarily be tied to a private developer. They are also considering connecting the Marina to Sea Wall Park with two possible alignments. The CMA Church parking lot will become a new park-n-ride which could serve as auxiliary parking for the marina. They have also talked about adding a public fishing pier in the location where the historic original pier in Langley was. The funicular would provide easy access to downtown Langley and additional parking for the marina. Eventually as the marina expands parking will become more limited. It would also provide a fun and attractive easy access to downtown for boaters.

Jeff did a comparison of the two projects listing their benefits which demonstrated the funicular as the best option with many more benefits than the Wharf Street Widening Projects. They also have letters of support for the funicular project from the Port of South Whidbey, Island Transit and Paul Schell, owner of the Boatyard Inn located at Wharf Street in Langley.

Mayor Conard asked that if the installation of the funicular was approved would they expect to get the .09 funds now or when they get the rest of the matching funds? Jeff questioned if they could use the .09 funds as a way to move the project a little further along by using the .09 money for some of the engineering design issues. Island County Budget Director, Elaine Marlow, offered to do some research on this but she felt that it could be used for preconstruction costs but that it they would need to narrow down the scope of those preconstruction costs to make the best use of the dollars. Elaine went on to say that the City of Oak Harbor had their entire funding package lined up before the County committed to the project. Nancy Conard suggested that they not make a recommendation today so they could have an opportunity to look at that information to find out what the County needs to know to make that decision. It was agreed to bring this back to the next meeting for a decision on the recommendation.

UPDATE ON .09 FUND AVAILABILITY

Elaine Marlow, Island County Budget Director, distributed copies of the report on .09 Fund. The rural county sales tax started in 2002 and in 2007 it went from .08 credit to a .09 credit. Elaine reviewed the Democratic House proposed budget and in that budget is a reduction to the sales tax credit. It doesn't specify the specific amount but it is on the table for discussion in Olympia.

The County as a whole in their sales taxes for the past 4 years ranks in the bottom 10 of all the counties in the State. When you look at growth in sales taxes, Island County is 38 of 39 along with Skagit County in respect to the viability of sales tax growths statistically. Commissioner Emerson asked where we were in terms of what the rate is as she thought we had the 3rd highest sales tax. Elaine stated that we have a higher sales tax than other jurisdictions but that she is just looking at the revenue that comes in and she believes it is due to the fact that we were so heavily dependent on new home construction.

Since 2002 we have collected 6.9 million dollars in revenue and we have spent approximately 4 million dollars with 4.3 million committed but not yet spent. In 2005 the County collected approximately \$650,000 and in 2012 it will most likely be \$640,000 and in between there was an increase in rate which demonstrates how the sales tax has decreased in the County. When you factor the dollars collected with those spent and those committed it will leave a deficit; however, cash flow would allow us to meet our commitments. She has not heard when the Port plans on spending its funds and she is optimistic on

when the debt reduction would kick in on Freeland Sewer Project. Also the Freeland Sewer Project does have a major milestone to meet in the interlocal by end this year – a local improvement needs to be formed or an amendment to the interlocal. Nancy Conard reminded that we have set the month of May COG meeting to ask all the people who have committed funds to give an annual update on their projects. Nancy stated that if there is a reduction in .09 credit it could affect our ability to cover the current deficit. Elaine stated that we have not formally signed an interlocal agreement yet with the sewer group on the debt reduction but they have used the County's commitment very heavily when they went out for grants. There is no interlocal with the Port or the City of Langley. Elaine urged the group to take a wait and see mode before any new funds are advanced unless they are very small in amount.

AGENDA TOPICS FOR THE NEXT MEETING

March was designated a possible meeting for an LIO update. Nancy has spoken with LIO Chair Commissioner Homola and Lori Clark and they would like to do that with the same structure as today with COG meeting from 9:00 am – 10:30 am and the LIO meeting at 10:30 am. and last about an hour.

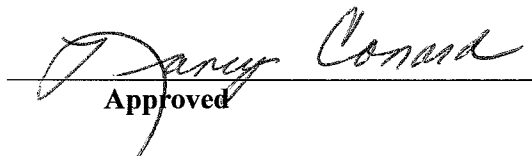
Marine Resource Committee update since LIO is of interest to them as well so they might attend. Also would like a WRAC project update on the projects that were funded out of the initial LIO. Nancy Conard suggested we come back to the .09 application revision request from the City of Langley and look at it for a recommendation to the Commissioners with additional information about what the rules are. We need to look at RCW to see if you can use it for planning money before you get the commitment for construction. Commissioner Price Johnson thought it just needed to be detailed and outlined in the original application and only those things that are in the original then can be reimbursed. Commissioner Price Johnson will get the RCW information.

April is tentatively set up for emergency preparedness and Chair Conard is reaching out now to see what kind of programs might be available.

LEGISLATIVE CONCERNS

Discretionary public health funding may be taken from all counties. This is the base money that keeps core services consistent across the state for immunization, communicable diseases and things like that. Commissioner Johnson would appreciate any emphasis members could give to the legislators about keeping flexibility at the local level. If they really must cut public health funds have it be the things that they mandate and not those that the County might need to meet local needs.

Dated this 22 day of February, 2012.


Approved